400 Texas Street, Suite 1400 Shreveport, LA 71101

Firm: 318.221.6858
Fax: 318.227.2967
Web: www.bwor.com

Mailing Address:

P.O. Drawer 1126 Shreveport, LA 71163-1126

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217 Email: tallen@bwor.com

October 11, 2004

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION

Alternate Unit Wells

JAMES RB SUD & JAMES RB SUK

Benson Field

DeSoto and Sabine Parishes, Louisiana

Our File No. 370306.0045

Dear Sir:

On behalf of PINNACLE OPERATING CO., INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the James Formation, Reservoir B, in the Benson Field, DeSoto and Sabine Parishes, Louisiana:

- 1. To permit the applicant to drill, complete and produce an alternate unit well for JAMES RB SUD, at the location shown on the attached plat, or at any legal location within such unit.
- 2. To permit the applicant to drill, complete and produce an alternate unit well for JAMES RB SUK, at the location shown on the attached plat, or at any legal location within such unit.
- 3. To explicitly find that the proposed alternate unit wells are necessary to drain a portion of the James Formation, Reservoir B, underlying JAMES RB SUD and JAMES RB SUK, respectively, which cannot be efficiently and economically drained by any existing well in such units.
- 6. To provide that the unit allowable for each of such units may be produced from either the unit wells, the alternate unit wells, or any combination thereof, at the operator's discretion.

Commissioner of Conservation October ____, 2004 Page 2

7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The James Formation, Reservoir B, in the Benson Field, DeSoto Parish, Louisiana was fully defined in Office of Conservation Order No. 496-D, effective April 1, 1980.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, 400 Texas Street, Suite 1400, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, are being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$1,510.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

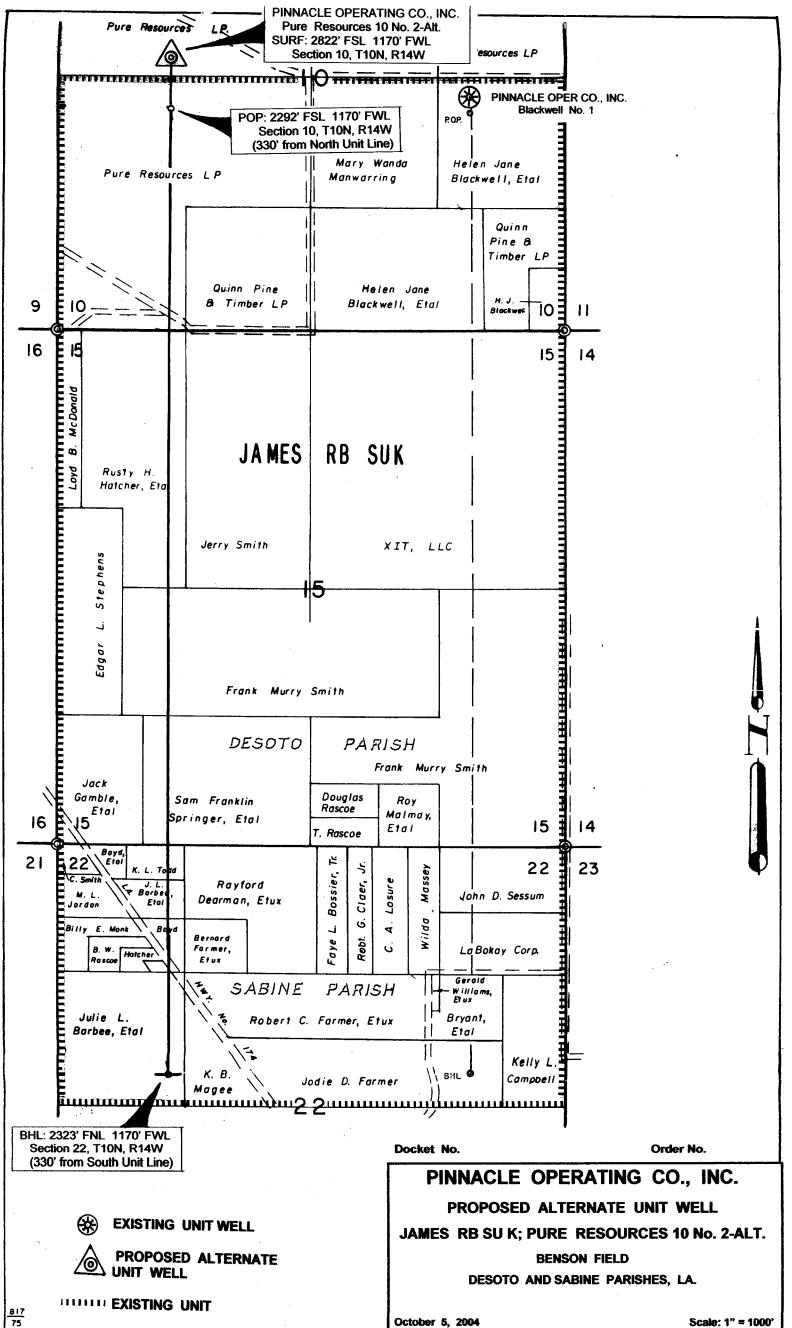
BLANCHARD, WALKER, O'QUIN & ROBERTS

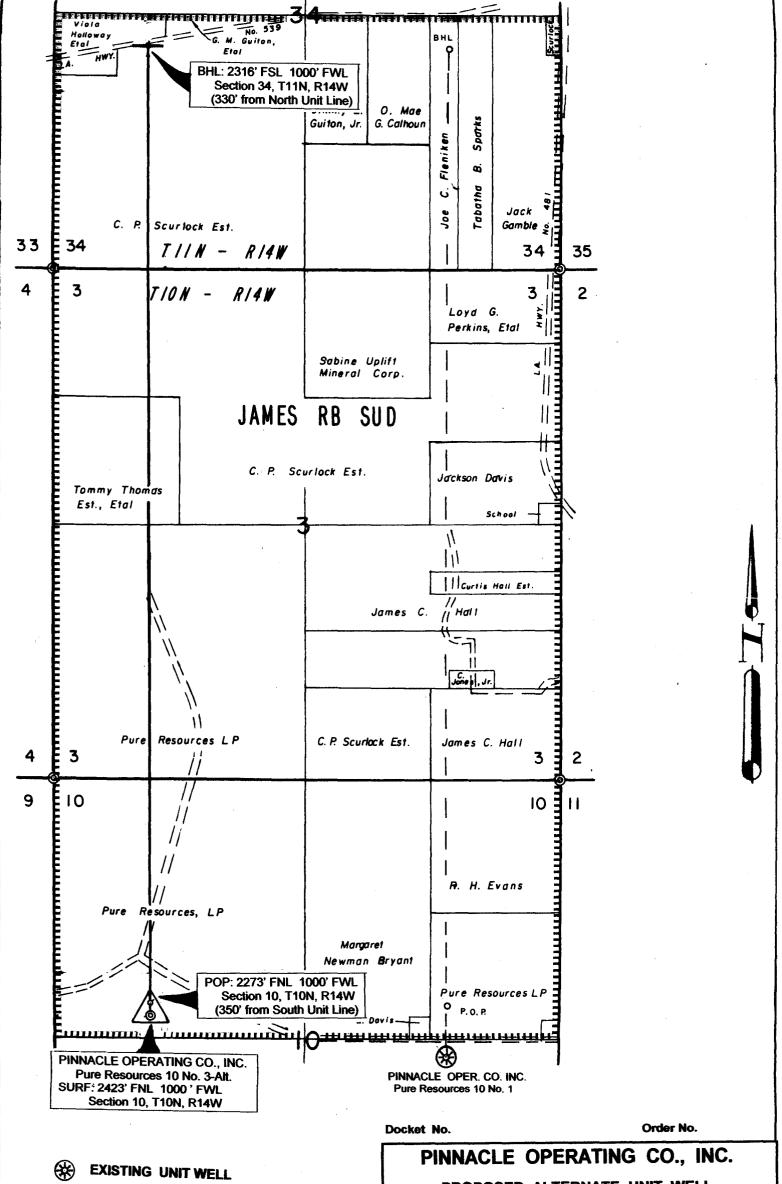
WTAIII:bp Enclosures Wm. Timothy Aller III
Attorneys for Pinnacle Operating Co., Inc.

cc: Mr. James C. Broussard, Shreveport
District Manager, Office of Conservation

(w/enclosures)

cc: Interested Owners, Represented Parties and Interested Parties (w/copy of plats only)





UNIT WELL

PROPOSED ALTERNATE

EXISTING UNIT

PROPOSED ALTERNATE UNIT WELL JAMES RB SU D; PURE RESOURCES 10 No. 3-ALT. **BENSON FIELD** DESOTO PARISH, LA.

October 5, 2004

Scale: 1" = 1000'